



A BILL FOR AN ORDINANCE

RELATING TO AFFORDABLE HOUSING INCENTIVES.

BE IT ORDAINED by the People of the City and County of Honolulu:

SECTION 1. Purpose. The purpose of this ordinance is to amend the affordable housing incentives enacted by Ordinance 18-1, as amended by Ordinance 19-8.

SECTION 2. Chapter 14, Article 10, Revised Ordinances of Honolulu 1990 ("Wastewater System Facility Charges"), is amended by adding a new section to be appropriately designated by the Revisor of Ordinances and to read as follows:

"Sec. 14-10. Development agreement required for projects seeking waivers of charges for affordable housing.

(a) The developer of an affordable housing project, as defined by the department of planning and permitting by rule, requesting waivers of wastewater system facility charges for affordable dwelling units pursuant to Section 14-10. (a)(5), shall execute a development agreement with and acceptable to the director of planning and permitting, to be recorded with the State of Hawaii bureau of conveyances or the office of the assistant registrar of the land court of the State of Hawaii, or both, as appropriate, that encumbers the project site and at a minimum:

- (1) Describes the proposed project;
- (2) Specifies the percentage of the total project dwelling units to be sold to households earning 120 percent and below of the AMI;
- (3) Specifies the percentage of the total project dwelling units to be sold to households earning 100 percent and below of the AMI; and
- (4) Includes as an attachment a schedule of all units and proposed pricing.

For the purposes of this section, "AMI" means the current area median income determined by the United States Department of Housing and Urban Development annually for the Honolulu Metropolitan Statistical Area, as adjusted for household size.

(b) Prior to the developer being issued a certificate of occupancy for the affordable housing project, the developer shall submit to the department of planning and



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permitting a schedule of all housing units in the project, including actual sales price, buyer income group, and percentage of affordable housing units in the project sold to households earning (i) 120 percent and below and (ii) 100 percent and below of the AMI.

- (c) If the director of planning and permitting determines at any time that the developer is in violation of the development agreement, the violator will be subject to the administrative enforcement provisions of Section 21-2.150-2; provided that in addition to the civil fines specified in Section 21-2.150-2(b)(1)(C) and Section 21-2.150-2(b)(1)(D), the violator will be subject to penalties equal to the amount of wastewater system facility charges waived for the proportion of affordable units sold to households earning 100 percent and below of the AMI."

SECTION 3. Section 14-10. __, Revised Ordinances of Honolulu 1990, ("Waiver of wastewater system facility charges for affordable dwelling units"), as enacted in SECTION 4 of Ordinance 18-1 and amended by SECTION 3 of Ordinance 19-8, is amended by amending subsection (a) to read as follows:

- "(a) Wastewater system facility charges, as set forth in Appendix 14-D of this chapter will be waived for the following:
- (1) Affordable dwelling units as defined in and as provided on-site or off-site pursuant to Chapter A;
 - (2) Affordable dwelling units provided pursuant to a planned development-transit permit pursuant to Section 21-9.100-10, or an interim planned development-transit permit pursuant to Section 21-9.100-5;
 - (3) Affordable rental dwelling units developed in compliance with HRS Section 201H-36(a)(5); [or]



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- (4) Affordable rental housing units that are rented to households earning 100 percent and below of the AMI, and rented at or below the rental rate limits established by the United States Department of Housing and Urban Development for households earning 100 percent of the AMI for the applicable household size or less, pursuant to Chapter B[-]; or
- (5) The residential portion of the dwelling units that are sold to households earning 100 percent and below of the AMI in developments for which at least 75 percent of the total number of dwelling units in the development are sold to households earning 120 percent and below of the AMI."

SECTION 4. Chapter 18, Article 6, Revised Ordinances of Honolulu 1990 ("Fees"), is amended by adding a new section to be appropriately designated by the Revisor of Ordinances and to read as follows:

"Sec. 18-6. Development agreement required for projects seeking waivers of fees for affordable housing.

- (a) The developer of an affordable housing project, as defined by the department of planning and permitting by rule, requesting waivers of plan review and building permit fees for affordable dwelling units pursuant to Section 18-6.5(g)(3), shall execute a development agreement with and acceptable to the director of planning and permitting, to be recorded with the State of Hawaii bureau of conveyances or the office of the assistant registrar of the land court of the State of Hawaii, or both, as appropriate, that encumbers the project site and at a minimum:
 - (1) Describes the proposed project;
 - (2) Specifies the percentage of the total project dwelling units to be sold to households earning 120 percent and below of the AMI;
 - (3) Specifies the percentage of the total project dwelling units to be sold to households earning 100 percent and below of the AMI; and
 - (4) Includes as an attachment a schedule of all units and proposed pricing.

For the purposes of this section, "AMI" means the current area median income determined by the United States Department of Housing and Urban Development



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annually for the Honolulu Metropolitan Statistical Area, as adjusted for household size.

- (b) Prior to the developer being issued a certificate of occupancy for the affordable housing project, the developer shall submit to the department of planning and permitting a schedule of all housing units in the project, including actual sales price, buyer income group, and percentage of affordable housing units in the project sold to households earning (i) 120 percent and below and (ii) 100 percent and below of the AMI.
- (c) If the director of planning and permitting determines at any time that the developer is in violation of the development agreement, the violator will be subject to the administrative enforcement provisions of Section 21-2.150-2; provided that in addition to the civil fines specified in Section 21-2.150-2(b)(1)(C) and Section 21-2.150-2(b)(1)(D), the violator will be subject to penalties equal to the amount of plan review and building permit fees waived for the proportion of affordable units sold to households earning 100 percent and below of the AMI."

SECTION 5. Section 18-6.5, Revised Ordinances of Honolulu 1990, ("Exemptions"), as enacted in SECTION 4 of Ordinance 18-1, is amended by amending subsection (g) to read as follows:

- "(g) The building official shall waive the collection of the plan review and building permit fees for the residential portion of a project equal to:
- (1) The percentage of affordable dwelling units as defined in and as provided within the project pursuant to Chapter ~~[]~~ A; ~~[or]~~
 - (2) The percentage of affordable dwelling units provided pursuant to a planned development-transit permit pursuant to Section 21-9.100-10, or an interim planned development-transit permit pursuant to Section 21-9.100-5~~[-]~~; or
 - (3) The percentage of affordable dwelling units sold to households earning 100 percent and below of the AMI; provided that at least 75 percent of the dwelling units in the project are sold to households earning 120 and below of the AMI."



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ORDINANCE 20 - 11

BILL 28 (2019), CD2, FD1

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SECTION 6. Ordinance material to be repealed is bracketed and stricken. New material is underscored. When revising, compiling, or printing this ordinance for inclusion in the Revised Ordinances of Honolulu, the Revisor of Ordinances need not include the brackets, the material that has been bracketed and stricken, or the underscoring. In SECTIONS 3 and 5 of this ordinance, the Revisor of Ordinances shall, pursuant to the Revisor's authority under ROH Section 1-16.3(b):

- (1) Replace references to "Chapter A" with the appropriately designated chapter enacted by Ordinance 18-10;
- (2) Replace references to "Chapter B" with the appropriately designated chapter enacted by Ordinance 19-8; and
- (3) Replace references to "Section 8-10.Y" with the appropriately designated section enacted by SECTION 3 of Ordinance 18-1.



CITY COUNCIL
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HONOLULU, HAWAII

ORDINANCE 20-11
BILL 28 (2019), CD2, FD1

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SECTION 7. Effective date; repeal.

This ordinance takes effect upon its approval and will be repealed one year after its effective date, provided that the amendments made by this ordinance and the repeal thereof do not affect the respective repeal dates of Ordinances 18-1 and 19-8.

INTRODUCED BY:

Ann Kobayashi

DATE OF INTRODUCTION:


May 29, 2019
Honolulu, Hawaii

Councilmembers

APPROVED AS TO FORM AND LEGALITY:


Deputy Corporation Counsel
MOLLY A. STEBBINS

APPROVED this 4th day of June, 20 20.


KIRK CALDWELL, Mayor
City and County of Honolulu

CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII
CERTIFICATE

ORDINANCE

20 - 11

BILL 28 (2019), CD2, FD1

Introduced: 05/29/19 By: ANN KOBAYASHI

Committee: ZONING, PLANNING AND HOUSING

Title: A BILL FOR AN ORDINANCE RELATING TO AFFORDABLE HOUSING INCENTIVES.

Voting Legend: * = Aye w/Reservations

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| 06/05/19 | COUNCIL | BILL PASSED FIRST READING AND REFERRED TO COMMITTEE ON ZONING, PLANNING AND HOUSING. 9 AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MANAHAN, MENOR, PINE, TSUNEYOSHI, WATERS. |
| 09/26/19 | ZONING, PLANNING AND HOUSING | BILL POSTPONED IN COMMITTEE. 3 AYES: ELEFANTE, MENOR, WATERS. 2 EXCUSED: KOBAYASHI, MANAHAN. |
| 10/24/19 | ZONING, PLANNING AND HOUSING | CR-332 – BILL REPORTED OUT OF COMMITTEE FOR PASSAGE ON SECOND READING AND SCHEDULING OF A PUBLIC HEARING AS AMENDED IN CD1 FORM. 4 AYES: ELEFANTE, KOBAYASHI, MENOR, WATERS. 1 EXCUSED: MANAHAN. |
| 10/26/19 | PUBLISH | PUBLIC HEARING NOTICE PUBLISHED IN THE HONOLULU STAR-ADVERTISER. |
| 11/06/19 | COUNCIL/PUBLIC HEARING | CR-332 ADOPTED. BILL PASSED SECOND READING AS AMENDED, PUBLIC HEARING CLOSED AND REFERRED TO COMMITTEE ON ZONING, PLANNING AND HOUSING. 7 AYES: ELEFANTE, FUKUNAGA, KOBAYASHI, MANAHAN, MENOR, PINE, WATERS. 2 ABSENT: ANDERSON, TSUNEYOSHI. |
| 11/09/19 | PUBLISH | SECOND READING NOTICE PUBLISHED IN THE HONOLULU STAR-ADVERTISER. |
| 11/14/19 | ZONING, PLANNING AND HOUSING | BILL POSTPONED IN COMMITTEE. 5 AYES: ELEFANTE, KOBAYASHI, MANAHAN, MENOR, WATERS. |
| 02/06/20 | ZONING, PLANNING AND HOUSING | BILL POSTPONED IN COMMITTEE. 5 AYES: ELEFANTE, KOBAYASHI, MANAHAN, MENOR, WATERS. |
| 02/27/20 | ZONING, PLANNING AND HOUSING | CR-97(20) – BILL AMENDED TO CD2. 5 AYES: ELEFANTE, KOBAYASHI, MANAHAN, MENOR, WATERS. BILL REPORTED OUT OF COMMITTEE FOR PASSAGE ON THIRD READING AS AMENDED IN CD2 FORM. 5 AYES: ELEFANTE*, KOBAYASHI, MANAHAN, MENOR, WATERS. |
| 03/18/20 | COUNCIL | CANCELLED AND NOT CONSIDERED. |

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05/20/20 COUNCIL

NOTE: ACTION WAS NOT TAKEN ON THE PROPOSED FD1s POSTED ON THE AGENDA SUBMITTED BY COUNCILMEMBERS ELEFANTE AND WATERS.

BILL AMENDED TO FD1 (OCS2020-0291/3/4/2020 4:03 PM).

9 AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MANAHAN, MENOR, PINE, TSUNYOSHI, WATERS.

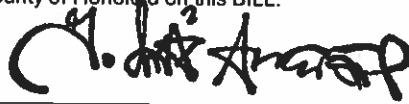
CR-97(20) ADOPTED AND BILL 28 (2019), CD2, FD1 PASSED THIRD READING.

9 AYES: ANDERSON, ELEFANTE*, FUKUNAGA, KOBAYASHI, MANAHAN, MENOR, PINE, TSUNYOSHI, WATERS.

I hereby certify that the above is a true record of action by the Council of the City and County of Honolulu on this BILL.



GLEN I. TAKAHASHI, CITY CLERK



IKAIKA ANDERSON, CHAIR AND PRESIDING OFFICER